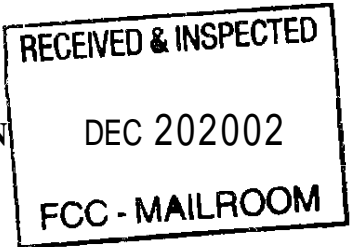


BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION



In the Matter of)
)
Request for Review by the)
STATE OF WYOMING) FCC Docket Nos. 97-21 and 96-45
of Decision of)
UNIVERSAL SERVICE ADMINISTRATOR)

REQUEST FOR REVIEW

Pursuant to 47 C.F.R. Part 54, as amended by 67 F.R. 3441 (January 21, 2002), the State of Wyoming ("Wyoming"), appearing by and through the Wyoming Attorney General's Office, requests review of the denial of Year 3 funding for some 102 funding requests related to Billed Entity Number 154794 and 471 Application Number 20211 by Schools and Libraries Division, Universal Service Administrative Company ("USAC"). The denial is contained in USAC's Funding Commitment Decision Letter, dated February 13, 2002 and the Administrator's Decision on Appeal dated October 21, 2002.¹

¹ The specific Funding Request Numbers for which review is sought are listed in Wyoming's Letter of Appeal to the Schools and Library Division dated April 11, 2002. The Funding Commitment Letter, Wyoming's Letter of Appeal and the Administrator's Decision on Appeal are attached to this Request for Review as Appendices A, B, and C respectively.

1. Wyoming's Interest in the Matter Presented for Review

The State of Wyoming requested funds to support the use by every public school district in Wyoming of the Wyoming Equality Network ("WEN") a statewide, high-speed data and video network connecting every public school in the state. The application for funding was made through the Wyoming Department of Education and the Wyoming Department of Administration and Information.

2. Statement of Material Facts

Although the issue requested for review is primarily a matter of law as fully set out in the next section, the following narrative presents the underlying situation which led to the development of the WEN and Wyoming's seeking of Universal Service funding to support it.

The development of the WEN arose as a result of the Wyoming Supreme Court's decision in *Campbell Co. School District v. Wyoming*, 907 P.2d 1238 (Wyo. 1995), which found [hat, *inter alia*, the Wyoming Constitution required an "equal opportunity for a proper education" for each child of the State of Wyoming. *Id.*, 907 P.2d at 1278. To help address this mandate, the Wyoming State Legislature in 1997 enacted legislation which required the State Superintendent of Public Instruction cooperate with interested parties in developing and implementing a statewide education technology plan. 1997 Wyo. Sess. Laws, ch. 65, § 1. WYO. STAT. § 21-2-202(a)(xx). The Legislature directed the Governor and State Superintendent to establish a committee to prepare a request for proposals for a statewide network allowing for data transmission in every school building and two-way video capability to the high schools. 1997 Wyo. Sess. Laws, ch. 80, § 1.

Request for Proposal No 0309-D was released on May 30, 1997, with a scheduled bid opening date of September 30, 1997.² The state received and considered four proposals. The committee charged with reviewing the proposals determined that US West (now Qwest) had submitted the most promising proposal.³ The State entered into negotiations with US West in late fall 1997.

On April 3, 1998, Wyoming Governor Jim Geringer and State Superintendent Judy Catchpole signed the Master Agreement for Technology in Education with US West.⁴ The Agreement provided for “services to be furnished by [US West] to provide telecommunications capabilities to schools and related entities for the creation of a telecommunications network within the state of Wyoming.” Master Agreement for Technology in Education Project for the State of Wyoming, ¶ 1.1. The term of the contract runs from July 1, 1998 through

The Request for Proposal can be viewed on the internet at the following URL:

<http://www.k12.wy.us/DATATECH/technology/rfp0409.pdf>

³ US West’s Proposal Documents can be viewed at the following URLs:

<http://www.k12.wy.us/DATATECH/technology/uswsvsr.PDF>

<http://www.k12.wy.us/DATATECH/technology/uswprop.PDF>

<http://www.k12.wy.us/DATATECH/technology/Y7073B36.PDF>

<http://www.k12.wy.us/DATATECH/technology/uswprice.PDF>

⁴ This document can be viewed at the following URL:

<http://www.k12.wy.us/DATATECH/technology/uswmstr.pdf>

June 20, 2003. The contract included an "Availability of Funds" clause. This is a standard provision in all state contracts recognizing that a long term contract cannot bind a future state legislature to a commitment. This clause states in pertinent part:

Each payment obligation of the State is conditioned upon the availability of government funds which are appropriated or allocated for the payment of this obligation. If funds are not allocated and available for the continuance of the services performed by USWCS, the Agreement may be terminated by the State at the end of the period for which the funds are available. The State shall notify USWCS at the earliest possible time of the services which will or may be affected by a shortage of funds. No penalty shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section. This provision shall not be construed to permit the State to terminate this Agreement in order to acquire similar services from another party. . . .

Master Agreement for Technology in Education, ¶ 14.8 (emphasis added).

In 1998, the Legislature appropriated \$14.7 million for the project. 1998 Wyo. Sess. Laws, ch. 30, § 205

Wyoming first sought Universal Service funding to support the WEN in Year 2. The School and Library Division approved the Year 2 funding request. Funding Commitment Decision Letter (September 14, 1999). Wyoming's Year 3 application process started in late 1999. The School and Library Division notified the State that it had denied all funding for Year 3 in its February 13, 2002, Funding Commitment Decision Letter. The School and Library Division summarized the basis for the denial with the following language regarding each funding request under review:

“Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated”

“Funding Commitment Decision Explanation: A contract for new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.”

Wyoming timely submitted a Letter of Appeal to the School and Library Division. Wyoming’s position in the Letter was, and remains, that 47 C.F.R. § 54.504 explicitly creates an exemption when the state cannot comply with both its own requirements and those contained in the FCC’s rules. This exemption results from the language stating that the rules do not preempt state procurement requirements.

3. Question Presented for Review

A. Issue

Whether a state remains eligible for funding if adhering to its own requirements makes it impossible to comply with the requirements contained in 47 C.F.R. Part 54 because the bidding requirements contained in that section “are not intended to preempt such state and local requirements”.

B. Summary of Argument

If it is impossible to follow both state requirements and the federal requirements, one should prevail over the other. Because the Federal Communications Commission has chosen to explicitly not preempt state requirements in this area, the state requirements should prevail over the federal requirements.

C. Argument

In pertinent part, 47 C.F.R. § 54.504 states:

Before the Federal Communications Commission
In the Matter of Request for Review By the State of Wyoming
of Decision of Universal Service Administrator
Page 5 of 9

Competitive bid requirements. Except as provided in Sec. 54.511(c), an eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids, pursuant to the requirements established in this subpart, for all services eligible for support under Secs. 54.502 and 54.503. These competitive bid requirements apply in addition to state and local competitive bid requirements and are not intended to preempt such state or local requirements. (emphasis added)

47 C.F.R. § 54.504(a) (October 2001)

The issue presented here appears to be one that has been considered rarely in federal jurisprudence. Most decisions involving preemption issues consider whether a federal enactment, whether statutory or administrative, has preempted a state law, either through express language or implication. The instant situation presents a case where an enactment has expressly not preempted state law. However, those decisions addressing preemption issues provide guidance in arriving at a conclusion in this case

The Supremacy Clause of the United States Constitution empowers the federal government to preempt the laws of the states. U.S. CONST., art. VI, cl. 2. The power to preempt extends to agencies, provided an agency is acting within the scope of its congressionally delegated authority. *City of New York v. F.C.C.*, 486 U.S. 57, 63, 108 S.Ct. 1637, 1642 (1988).

Preemption can occur in a variety of ways:

Preemption occurs when Congress, in enacting a federal statute, expresses a clear intent to preempt state law, when there is outright or actual conflict between federal and state law, where compliance with both federal and state law is in effect physically impossible, where there is implicit in federal law a barrier to state regulation,

where Congress has legislated comprehensively, thus occupying an entire field of regulation and leaving no room for the States to supplement federal law, or where the state law stands as an obstacle to the accomplishment and execution of the full objectives of Congress.

Louisiana Public Service Commission v. F.C.C. 476 U.S. 355, 368, 106 S.Ct. 1890, 1898 (1986) (citations omitted).

The situation regarding the language of 47 C.F.R. 54.504 mirrors two of the recognized manners in which preemption occurs. First, the regulation contains an express clear intent, albeit that intent is to not preempt state law rather than preempt it.⁵ The specific language used in the rule is “not intended to preempt such state or local requirements.” 47 C.F.R. 54.504(a). The terminology employed indicates an intention to exclude from preemption all state or local bidding requirements that would be affected by the rule. Looking to the plain wording of the rule to determine preemptive intent, the use of the word “such,” rather than more specific language, would indicate general preemption exclusion, e.g., *Sprietsma v. Mercury Murine*, Case No. 1-706 (slip op. at 10) 537 U.S. ___, (December 2, 2002). If there was an intent to preempt some state bidding requirements, the rule should have contained language expressing that intent in a manner similar to language expressly stating what is not preempted. *Van Bergen v. State of Minnesota*, 59 F.3d 1541, 1548 (8th Cir., 1995) See also, e.g., *In the Matter of Federal-State Joint Board on Universal Service*, 13 FCC Rcd. 14081

⁵ The Telecommunications Act of 1996, which establishes the Universal Service Program, and its legislative history indicates that Congress intended to reserve some power to the states. E.g. 47 U.S.C. § 254(f). See Joint Explanatory Statement of the Committee of Conference, Report 104-258, Telecommunications Act of 1996, p 132 (January 31, 1996) (State authority with respect to Universal Service is preserved).

(1998) (Lowest corresponding price provision was not intended to preempt state law in the absence of explicit language to do so.)

Second, it is impossible to comply with both the competitive bid requirements contained in the federal regulation and the Wyoming bidding requirements. In order to comply with judicial and legislative mandates, Wyoming sought proposals for a statewide data and video network. It reviewed the proposals and entered into a contract for services. In doing so, it adhered to the procurement requirements of the state. See WYO. STAT. §. § 9-2-1016 (Lexis/Nexus 2001) and RULES OF PURCHASING DIVISION, DEPARTMENT OF ADMINISTRATION AND INFORMATION STATE OF WYOMING (1983).⁶

A competitive procedure was followed despite the incorrect contention contained in USAC's decision letter that the US West contract was signed without competitive bidding and that competitive bidding is not required under Wyoming law. Wyoming simply did not comply with the requirements contained in 47 C.F.R. Part 54 because it was impossible to so. Furthermore, Wyoming cannot legally seek new bids for services provided under an existing contract. To do so, would not only be a breach of the contract but breach of the covenant of good faith inherent in all contracts. *Scherer Construction, LLC, v. Hedquist Construction, Inc.*, 18 P.3d 645 (Wyo.2001).

Because it is impossible to comply with the bidding requirements in 47 C.F.R. Part 54 and state requirements, only one set of requirements can be followed. Regulations 47 C.F.R. Part 54 expressly does not preempt state requirements, therefore the state requirements should prevail.

⁶ These rules are accessible through the following URL:

<http://soswy.state.wy.us/rules/search.htm>

4. Relief sought

Wyoming respectfully requests the Commission reverse the decision of the USAC and direct that Year 3 funding for the Funding Request Numbers listed in Wyoming's Letter of Appeal to the Schools and Library Division dated April 11, 2002 be granted.

Submitted this 18th day of December, 2002

STATE OF WYOMING

By: 

Donald Gerstein
Senior Assistant Attorney

By: 

Donna Murray
Senior Assistant Attorney General

By: 

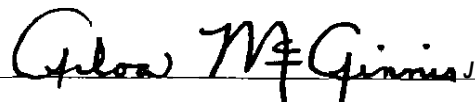
for

Harry Ivey
Attorney General
123 Capitol Building
Cheyenne, WY 82002
(307) 777-7841 (307) 777-6869 fax

CERTIFICATE OF SERVICE

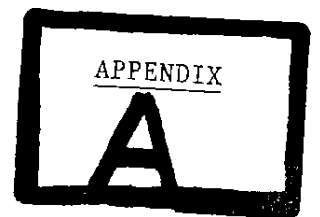
I certify that on the 18th day of December, 2002, the foregoing Request for Review was served by depositing a true and correct copy in the United States Mail, postage prepaid, addressed to the following:

Universal Service Administrative Company
Box 125 - Correspondence Unit
80 South Jefferson Road
Whippany, N.J. 07981

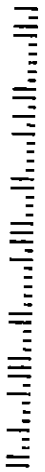


A

USAC
Schools and Libraries Division
Box 125 Correspondence Unit
80 South Jefferson Road
Whippany, New Jersey 07981



00003
State of Wyoming, Department of Administration and Info
LINDA CARTER
2300 CAPITOL AVENUE, 2ND FLOOR
CHEYENNE, WY 82002-0050





Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER

(Funding Year 3: 07/01/2000 - 06/30/2001)

February 13, 2002

State of Wyoming, Department of Administration and Information
LINDA CARTER
2300 CAPITOL AVENUE, 2ND FLOOR
CHEYENNE, WY 82002-0050

Re: Form 471 Application Number: 202111
Funding Year 3: 07/01/2000 - 06/30/2001
Billed Entity Number: 154794

Thank you for your 2000-2001 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (ERN) to each Block 5. The enclosed report includes a list of the ERNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

IMPLEMENTATION TIMEFRAME

The Federal Communications Commission released on June 29, 2001, an order extending the implementation period for nonrecurring services whenever a funding commitment letter is issued on or after March 1 of the funding year. Pursuant to that order, any nonrecurring service for which funds are committed in this letter may be delivered up to September 30, 2002. Support for recurring services, however, is available only for services delivered during the period July 1, 2000 to June 30, 2001.

Forms 466 for these services must be postmarked no later than 120 days after the service start date or the date of this letter, whichever is later. Invoices for these services should be submitted no later than 90 days after the date of the Form 466 Notification Letter sent to the service provider. You should coordinate with your service provider(s) to be sure that invoices are completed in a timely fashion.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved. The Form 486 instructions can be found on the SLD web site at <www.sl.universalservice.org> or you can call the SLD Client Service Bureau at 1-688-203-8100 and ask that the form be sent to you.

The new Form 486, dated July, 2001 in the lower right corner, MUST be used for Funding Year 4 and for any previous funding years. Subsequent submissions of earlier versions of the Form 486 will be returned to you and will not be able to be processed. If you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you.

TO APPEAL THESE FUNDING COMMITMENT DECISIONS

If you wish to appeal the Funding Commitment Decision(s) (FCD) indicated in this letter, your appeal must be made in writing and RECEIVED BY THE SCHOOLS AND LIBRARIES DIVISION (SLD) at the address below WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal?:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which FCD Letter you are appealing. Indicate the relevant funding year and the date of the Funding Commitment Decision Letter. Your letter of appeal must also include the applicant name, the Form 471 Application Number, and the Billed Entity Number from the top of your FCD Letter.
3. Identify the particular Funding Request Number (ERN) that is the subject of your appeal. When explaining your appeal, include the precise language or text from the Funding Commitment Decision Letter that is at the heart of your appeal. By pointing us to the exact words that give rise to your appeal, the SLD will be able to more readily understand and respond appropriately to your appeal. Please keep your letter brief and to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

Please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. New options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site <www.sl.universalservice.org>

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC): FCC, Office of the Secretary, 445-12th Street SE, Washington, DC 20554. If you are submitting your appeal to the FCC by other than United States Postal Services, check the SLD web site for more information. You should refer to CC Docket Nos. 96-45 and 97-21 on the first page of your appeal to the FCC. Your appeal must be made in writing and RECEIVED BY THE FCC at the FCC address above WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. Further information and new options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site <www.sl.universalservice.org>.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

We look forward to continuing our work with you on connecting our schools and libraries through advanced telecommunications services.

Sincerely,

Schools and Libraries Division
Universal Service Administrative Company

Enclosures

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each E-rate funding request from your application. We are providing the following definitions:

- * **FUNDING REQUEST NUMBER (ERN):** A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.
- * **FUNDING STATUS:** Each ERN will have one of three definitions: "Funded," "Not Funded," or "As Yet Unfunded."
 1. An ERN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
 2. An ERN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An ERN may be "Not Funded" because the request does not comply with program rules or, that the total amount of funds in the Universal Service Fund was insufficient to fund all requests.
 3. An ERN that is "As Yet Unfunded" reflects a temporary status that is assigned to an ERN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for internal connections at a particular discount level. For example, if your application included requests for discounts on both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications funding requests and a message that your internal connections requests are "As Yet Unfunded." You would receive a subsequent letter(s) regarding the funding decision on your internal connections requests.
- * **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support programs. A SPIN is also used to verify delivery of services and to arrange for payment.
- * **SERVICE PROVIDER NAME:** The legal name of the service provider.
- * **CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * **SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.
- * **EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT:** The first possible date of service for which the SLD will reimburse service providers for the discounts for the service. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- * **CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- * **SITE IDENTIFIER:** The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" ERNs.
- * **BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.
- * **PRE-DISCOUNT AMOUNT:** Amount in Block 5, Item 23, Column I, Form 471, as determined through the application review process.
- * **DISCOUNT PERCENTAGE APPROVED BY THE SLD:** This is the discount rate that the SLD has approved for this service.
- * **FUNDING COMMITMENT DECISION:** This represents the total amount of funding that the SLD has reserved to reimburse service providers for the approved discounts for this

service through June 30, 2001. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

- * FUNDING COMMITMENT DECISION EXPLANATION This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 202111

Funding Request Number: 729606 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2501
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142418
 Billing Account Number: N/A
 Pre-Discount Amount: \$23,105.52
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729607 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-1601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142478
 Billing Account Number: N/A
 Pre-Discount Amount: \$3,577.80
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 23-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729608 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West Interpr
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142478
 Billing Account Number: N/A
 Pre-Discount Amount: \$16,500.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - Srvc/Disnt will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for further details.

Funding Request Number: 729609 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West Interpr
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142418
 Billing Account Number: N/A
 Pre-Discount Amount: \$22,477.52
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - Srvc/Disnt will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for further details.

FUNDING COMMITMENT REPORT

Form 471 Application Number 202111

Funding Request Number: 729610 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, inc. fka US West Inter
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142478
 Billing Account Number: N/A
 Pre-Discount Amount: \$525.12
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - Srvce/Discont will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal
 Connections < 82% discount to be funded. Please see WWW.SL.UN?VERSALSERVICE.ORG for
 further details.

Funding Request Number: 729611 Funding Status: Not Funded
 SPIN: 143002585 Service Provider Name: Union Tel. Co.
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003

Site Identifier: 142478
 Billing Account Number: N/A
 Pre-Discount Amount: \$14,805.48
 Discount Percentage Approved by the SLD: N/E
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed
 prior to the required 28-day waiting period computed from the date of the posting of
 the Form 470 to the SLD Web Site.

Funding Request Number: 729612 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-960106-2651
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$13,175.52
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed
 prior to the required 28-day waiting period computed from the date of the posting of
 the Form 470 to the SLD Web Site.

Funding Request Number: 729613 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$2,602.20
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed
 prior to the required 28-day waiting period computed from the date of the posting of
 the Form 470 to the SLD Web Site.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 202111

Funding Request Number: 729614 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, inc. fka US West inter
 Contract Number: SEA-980106-7601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$13,404.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment? Decision: \$8.00 - Srvc/Discount will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal
 Connections < 62% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for
 further details.

Funding Request Number: 729615 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$18,757.55
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment? Decision: \$0.00 - Srvc/Discount will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal
 Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for
 further details.

Funding Request Number: 729616 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, inc. fka US West Interp:
 Contract Number: SEA-960106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2003
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$179115
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment? Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: Funding cap will not provide Internal
 Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALS CE.ORG for
 further details.

Funding Request Number: 729617 Funding Status: Not Funded
 SPIN: 143004957 Service Provider Name: TCT West, Inc.
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$5,422.20
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment? Decision: \$8.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed
 prior to the required 28-day Waiting period computed from the date of the posting of
 the Form 470 to the SLD Neb Site.

FUNDING COMMITMENT REPORT

Form 471 Application Number. 202111

Funding Request Number: 729613 Funding status: Not Funded
 SPIN: 143010285 Service Provider Name: Tri-County Telephone Association, inc
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/03/2003
 Site Identifier: 142500
 Billing Account Number: N/A
 Pre-Discount Amount: \$3,095.88
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729619 Funding Status: Not Funded
 SPIN: 743085231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$6,246.96
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729626 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142532
 Billing Account Number: N/A
 Pre-Discount Amount: \$6,071.64
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729627 Funding Status: Not Funded
 SPIN: 743080132 Service Provider Name: Qwest Enterprise America, Inc. fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$6,702.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - Srvce/Discount will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for further details.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 202111

Funding Request Number: 729628 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West I
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$417.96
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - Srvc/Disct will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal
 Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for
 further details.

Funding Request Number: 729629 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$10,836.72
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - Srvc/Disct will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal
 Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for
 further details.

Funding Request Number: 729631 Funding Status: Not Funded
 SPIN: 143000132 Service Provide; Name: Qwest Interprise America, inc. fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internet Access
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$1,958.40
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - 28 Day Waitin Period Violated
 Funding Commitment Decision Explanation: A contrac? for a new service was signed
 prior to the required 28-day waiting period computed from the date of the posting of
 the Form 470 to the SLD Web Site.

Funding Request Number: 729632 Funding Status: Not Funded
 SPIN: 143004957 Service Provider Name: TCT West, Inc.
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142502
 Billing Account Number: N/A
 Pre-Discount Amount: \$4,165.32
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waitin Period Violated
 Funding Commitment Decision Explanation: A contrac? for a new service was signed
 prior to the required 28-day waiting period computed from the date of the posting of
 the Form 470 to the SLD Web Site.

FUNDING COMMITMENT REPORT

Fora 471 Application Number 202111

Funding Request Number: 729633 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142501
 Billing Account Number: N/A
 Pre-Discount Amount: \$7,755.96
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729634 Funding Status: Not Funded
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
 Contract Number: SEA-980106-2601
 Services Ordered: Telecommunications Service
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142501
 Billing Account Number: N/A
 Pre-Discount Amount: \$4,336.92
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - 28 Day Waiting Period Violated
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729635 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Enterprise America, Inc. fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142501
 Billing Account Number: N/A
 Pre-Discount Amount: \$3,102.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - Srvce/Discount will NOT be funded
 Funding Commitment Decision Explanation: A contract for a new service was signed prior to the required 28-day waiting period computed from the date of the posting of the Form 470 to the SLD Web Site.

Funding Request Number: 729637 Funding Status: Not Funded
 SPIN: 143000132 Service Provider Name: Qwest Enterprise America, Inc. fka US West Interp
 Contract Number: SEA-980106-2601
 Services Ordered: Internal Connections
 Earliest Possible Effective Date of Discount: 07/01/2000
 Contract Expiration Date: 06/30/2003
 Site Identifier: 142501
 Billing Account Number: N/A
 Pre-Discount Amount: \$298.56
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - Srvce/Discount will NOT be funded
 Funding Commitment Decision Explanation: Funding cap will not provide for Internal Connections < 82% discount to be funded. Please see WWW.SL.UN!?VERSALSERVICE.ORG for further details.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 202111

Funding Request Number: 729662 Funding Status: Plot Funded
SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West Interpr
Contract Number: SEA-980106-2601
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2003
Site Identifier: 142501
Billing Account Number: N/A
Pre-Discount Amount: \$7,465.08
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Srvce/Discount will NOT be funded
Funding Commitment Decision Explanation: Funding cap will not provide for Internal
Connections < 82% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for
further details.

Funding Request Number: 729663 Funding Status: Not Funded
SPIN: 143000132 Service Provider Name: Qwest Interprise America, Inc. fka US West Interpr
Contract Number: SEA-980106-2601
Services Ordered: Internet Access
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2003
Site Identifier: 142501
Billing Account Number: N/A
Pre-Discount Amount: \$1,750.32
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
Funding Commitment Decision Explanation: A contract for a new service was signed
prior to the required 28-day waiting period computed from the date of the posting of
the Form 470 to the SLD Web Site.

Funding Request Number: 729664 Funding Status: Not Funded
SPIN: 143004957 Service Provider Name: TCT West, Inc.
Contract Number: SEA-980106-2601
Services Ordered: Telecommunications Service
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2003
Site Identifier: 142501
Billing Account Number: N/A
Pre-Discount Amount: \$1,680.96
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
Funding Commitment Decision Explanation: A contract for a new service was signed
prior to the required 28-day waiting period computed from the date of the posting of
the Form 470 to the SLD Web Site.

Funding Request Number: 729665 Funding Status: Not Funded
SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Communications
Contract Number: SEA-980106-2601
Services Ordered: Telecommunications Service
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2003
Site Identifier: 142496
Billing Account Number: N/A
Pre-Discount Amount: \$9,802.44
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated
Funding Commitment Decision Explanation: A contract for a new service was signed
prior to the required 28-day waiting period computed from the date of the posting of
the Form 470 to the SLD Web Site.